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euer on behalf of Pierce-Web
January 11, 2011 9:39 AM

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TO:

ANTONIO GILL

Subject:

FW: Re-examination of Utility Line Extension Policy

2011 JAN 11 A 10: 06

Importance:

High

AZ CORP COMMISSION
DOCKET CONTROL**From:** Dan Field [mailto:dfield@co.la-paz.az.us]**Sent:** Monday, January 10, 2011 6:04 PM**To:** Pierce-Web**Cc:** Burns-Web; Stump-Web**Subject:** Re-examination of Utility Line Extension Policy**Importance:** High

Arizona Corporation Commission

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Dear Chairman Pierce:

Recently, the La Paz County Board of Supervisors read about the Commission's vote to reopen the line extension policy matter. See, <http://kadminer.com/Main.asp?SectionID=1&SubSectionID=1&ArticleID=42209> La Paz County, as many other rural counties, has experienced a reduction in development due to the current policy, especially where the cost of the line extension is more than the value of the property.

Many of our potential residents have attempted to relocate in open, none congested areas; however, the current line extension policy thwarts such efforts. In many rural counties large developments are far and few between and the burden of the entire expense of the extension falls solely upon the property owner. Many of these property owners cannot afford to develop their land for personal use.

Perhaps the Commission was attempting to deprive large developers from receiving an unwarranted windfall, but as a result, many of our seniors cannot afford to bring electricity to their own piece of land. This policy has negative consequences for the County, which not only loses any increase in its population (affecting its state shared revenue), but also, loses any future increase in continuing real estate tax for improved property.

The Board has received numerous complaints about the current policy and the inability to develop rurally. This policy also affects more urban development as well.

By way of an example, the undersigned has personally experienced the impracticality of the current policy. I bought a parcel in the middle of Quartzsite, Arizona which was originally connected to electricity through an adjoining property for at least 25-30 years. The adjoining property owner had my parcel disconnected just prior to my purchase. In between obtaining the title to the subject property; the "free extension" policy changed. Knowing that the distance from the street to my existing building is approximately 200 feet; I felt the amount to connect would not cost much, knowing that the Town of Quartzsite's property inventory is generally depleted, and therefore, most, if not all, properties are already developed and connected to power. In any event, I was told by the local APS Manager that the estimated amount to extend the line to my downtown Quartzsite parcel was \$19,000.00. Surprisingly, the parcel cost me less than \$5,000.00 at a tax sale. Frankly, there appears to be a problem with the current policy.

For many years the policy was in effect to develop this State. The customers of the electric companies indirectly supported the prior development for those years. As a result, due to the modification of the extension policy many residents who for years indirectly supported the former policy for others cannot now partake of the same program or benefit. This policy is especially inequitable considering that the current policy does not exclude every person from the program.

It would be greatly appreciated if you can please keep us informed of the dates of the hearings. Thank you for your time and consideration in this matter.

Sincerely,

Dan Field

La Paz County Administrator